

STATE OF WASHINGTON
DEPARTMENT OF ECOLOGY

IN THE MATTER OF AN]
ADMINISTRATIVE ORDER AGAINST:]
]
TransAlta Centralia Generation LLC]
]
_____]

PROPOSED ORDER NO. 6426

TO: Mr. Lou Florence,
TransAlta Centralia Generation LLC
913 Big Hanaford Road
Centralia, WA 98531

This is an Administrative Order requiring your company to comply with WAC 173-400-151 by taking the actions that are described below. Chapter 70.94 RCW authorizes the Washington State Department of Ecology's Air Quality Program (Ecology) to issue Administrative Orders to require compliance with the requirements of Chapter 70.94 RCW and regulations issued to implement it.

Ecology has determined that portions of your facility are subject to the provisions of the state visibility protection program (WAC 173-400-151), which is implemented consistent with the requirements of the federal visibility protection program (40 CFR Part 51, Subpart P). The rules require that the State determine what technologies and level of emission control constitute Best Available Retrofit Technology (BART) for the eligible emission units at your facility. The rules also require the installation and use of those emission controls on the BART-eligible emission units. The emission controls are to be installed as expeditiously as possible, but in no event may the State allow them to start operation later than five years after the State's Regional Haze SIP amendment is approved by the United States Environmental Protection Agency (EPA).

FINDINGS

- A. The TransAlta Centralia Generation LLC ("TransAlta") Centralia Power Plant is a coal fired power plant larger than 750 MW output subject to BART.
- B. BART emission limitations for sulfur dioxide and particulate were determined by the Environmental Protection Agency in 2003. The Centralia Power Plant's Operating Permit incorporates the BART emission limitations determined by EPA.
- C. BART for nitrogen oxides at the Centralia Power Plant is based on:
 - a. Use of low NO_x burners with separated and close coupled over fire air systems (aka LNC3).
 - b. Use of a sub-bituminous Powder River Basin coal or other coal that will achieve similar emission rates.

- c. Use and installation of additional boiler heat recovery equipment and boiler tube cleaning equipment to maximize the extraction of fuel energy into boiler steam.

Additional information and analysis is available in the BART Determination Support Document for the Centralia Power Plant, by the Washington State Department of Ecology, November 2008, and the BART Analysis for the Centralia Power Plant, June 2008 and the BART Analysis Supplement, December 2008.

YOU ARE ORDERED: To install and operate in accordance with the following conditions:

BART Emission Limitations

1. Nitrogen Dioxide Emissions

- 1.1. Starting no later than the date in Condition 2, emissions of nitrogen dioxide from the two coal-fired utility steam generating units at the Centralia Power Plant are limited to a maximum of:
 - 1.1.1. 0.24 lb/MMBtu, 30 day rolling average, both units averaged together for days (i.e., midnight to midnight) when either unit's generating load is 360 MW gross or greater.
 - 1.1.2. In the event that during a given 30 day period, only one unit operated, the average of both units will be the 30 day average emission rate for the operating boiler.
- 1.2. Compliance will be determined by use of a continuous emission monitoring system.
- 1.3. Coal used shall be a sub-bituminous coal from the Powder River Basin or other coal that will achieve similar emission rates.

Schedule for Compliance

2. Determination of compliance with the 30-day rolling average nitrogen dioxide emission limitation will commence at midnight of October 30, 2009 based on emissions for the prior 30 day period.
3. Determination of compliance with the rolling annual average nitrogen and sulfur coal content limitation will commence at midnight of October 30, 2010, based on coal nitrogen and sulfur content testing during the prior year.

Monitoring and Recordkeeping Requirements

4. Nitrogen Dioxide

- 4.1. Nitrogen dioxide emissions are to be quantified by means of a continuous emission monitoring system, consisting of a continuous nitrogen dioxide monitor, and a continuous flow rate monitor.
 - 4.2. The continuous monitoring system shall comply with Condition M9 of the Centralia Power Plant's Air Operating Permit, SW98-8-R2-B (issued March 25, 2008) ("Air Operating Permit") and corresponding monitoring conditions in future renewals of the Air Operating Permit.
5. Missing data requirements for nitrogen dioxide emission monitoring required by this order
- 5.1. For a unit with less than 12 continuous hours of missing CEM data, the substituted hourly emission rate will be the higher of (a) the average of emissions during the hour before and hour after the period of missing data or (b) the average of emissions from the previous 720 operating hours of quality-assured data.
 - 5.2. For a unit with 12 or more continuous hours of missing CEM data, the substituted hourly emission rate will be based on the 90th percentile of the previous 720 operating hours of quality-assured data.
 - 5.3. Those 30 day periods which include substitute data for calculating 30 day averages shall be indicated in the emissions information reported in Condition 7.
6. Coal Quality Monitoring
- 6.1. Coal nitrogen and sulfur content shall be determined by taking a sampling coal conveyed by the transfer belt between the coal pile and coal silos. An alternate location that provides a sample representative of the coal fired by the boilers may be proposed to Ecology by TransAlta for approval for use.
 - 6.2. A sample of coal for will be taken at least once per week while at least one coal fired boiler is in operation. The sample shall be taken following ASTM method D2234/D2234M-07.
 - 6.3. Coal nitrogen and sulfur content will be determined using ASTM Method D3176-89 (as reapproved in 2002). Note, other ASTM methods related to sample collection and preparation may need to be followed in order to perform this test.
 - 6.4. As an alternate to coal nitrogen and sulfur content testing at the plant, certified results of testing by the coal mine operator of coal actually sent to the Centralia Power Plant. Testing frequency should be no less frequent than required above.

Reporting Requirements

7. Documentation of compliance with the emission limitations by the initial compliance date of October 30, 2009 in Condition 2 will be provided by TransAlta by certified mail to Ecology and to the SWCAA within 30 days.
8. Malfunction of the emission control system must, at a minimum, be documented in writing and submitted to SWCAA and Ecology with the emissions monitoring data per Condition 7. Additional recordkeeping and notifications related to excess emissions may also be required by SWCAA regulation.
9. Continuous emission monitoring data shall be submitted to Ecology and to the SWCAA in accordance with condition R3 of the Centralia Plant's Air Operating Permit; SW98-8-R2-B (issued March 25, 2008). In addition to the information required in condition R3, the report will include the 30 day rolling average lb. NO_x/MMBtu and tons of NO_x emitted during the current calendar year. The submittal shall be sent electronically in a format acceptable to the SWCAA. Reporting to Ecology under this condition will end if the Order has been rescinded as provided in Condition 11, below.
10. Coal nitrogen and sulfur content information shall be submitted to Ecology and to the SWCAA in accordance with schedule in condition R3 of the Centralia Plant's Air Operating Permit; SW98-8-R2-B (issued March 25, 2008).
 - 10.1. Coal nitrogen and sulfur reporting during the first year (Oct. 30, 2009 through Oct. 30, 2010) shall include the date each coal sample is taken, the nitrogen and sulfur content of each coal sample analyzed, the running average content and the maximum and minimum concentrations found.
 - 10.2. After the first year, the report shall include the rolling annual averages for nitrogen and sulfur content plus the maximum and minimum concentrations in the prior year.
 - 10.3. The weekly coal sample test results shall be retained for at least 5 years and available for review by Ecology or SWWCAA upon request.
11. TransAlta may request this Order be rescinded after all of the following occur:
 - 11.1. The emission limitations in this Order have been incorporated into an enforceable order or permit issued by SWCAA under the criteria of RCW 70.94.152 or 70.94.153 and SWCAA implementing regulations, provided that BART emission limits for the Centralia Power Plant will not be reanalyzed or reconsidered in connection with SWCAA's issuance of such enforceable order or permit.
 - 11.2. The emission limitations in the enforceable order or permit have been incorporated into the Air Operating Permit issued by SWCAA for the Centralia Power Plant.

11.3. EPA has incorporated the Order into the Regional Haze State Implementation Plan.

Failure to comply with this Order may result in the issuance of civil penalties or other actions, whether administrative or judicial, to enforce the terms of this Order. Ecology shall enforce the terms of this Order only until such time as SWCAA incorporates the terms of the Order into the Centralia Power Plant's Air Operating Permit or except as provided by RCW 70.94.785.

You have a right to appeal this Order. To appeal you must:

- File your appeal with the Pollution Control Hearing Board within 30 days of the "date of receipt" of this document. Filing means actual receipt by the Board during regular office hours.
- Serve your appeal on the Department of Ecology within 30 days of the "date of receipt" of this document. Service may be accomplished by any of the procedures identified in WAC 371-08-305(10). "Date of receipt" is defined at RCW 43.21B.001(2).

If you appeal you must:

- Include a copy of this document with your Notice of Appeal.
- Serve and file your appeal in paper form; electronic copies are not accepted.

To file your appeal with the Pollution Control Hearing Board:

Mail appeal to:

The Pollution Control Hearings Board
P.O. Box 40903
Olympia, WA 98504-0903

OR

Deliver your appeal in person to:

The Pollution Control Hearings Board
4224-6th Avenue SE Rowe Six, Bldg 2
Lacey, WA 98503

To serve your appeal on the Department of Ecology:

Mail appeal to:

Department of Ecology
Appeals Coordinator
P.O. Box 47608
Olympia, WA 98504-7608

OR

Deliver your appeal in person to:

Department of Ecology
Appeals Coordinator
300 Desmond Drive SE
Lacey, WA 98503

And send a copy of your appeal packet to:

Alan Newman
Department of Ecology
Air Quality Program
P. O. Box 47600
Olympia, WA 98504-7600

For additional information, go to the Environmental Hearings Office website at
<http://www.eho.wa.gov>.

To find laws and agency rules, go to the Washington State Legislature website at
<http://www1.leg.wa.gov/CodeReviser>.

Your appeal alone will not stay the effectiveness of this Order. Stay requests must be submitted in accordance with RCW 43.21B.320. These procedures are consistent with Chapter 43.21B RCW.

DATED this ____ day of _____, 200__ at Olympia, Washington.

Jeff Johnston, Ph.D.
Manager, Science and Engineering Section
Department of Ecology
Air Quality Program